

**PRIVATE SCHOOLS FOR THE DISABLED
CALCULATION OF ADMINISTRATIVE NON-ALLOWABLE COST**

FINAL 4/1/2002

EXHIBIT E-1

	(A)	(B)	(C)	(D)	(E)	(F)
	<u>TOTAL COSTS</u>	<u>COST CATEGORY</u> <u>PERCENTAGES</u>		<u>REVISED</u> <u>COST CATEGORY</u> <u>PERCENTAGES</u>		<u>NON</u> <u>ALLOWABLE</u>
1 Administration	670,387	670,387	35.51%	655,617	35.0%	14,770
2 Instruction	970,329	970,329	51.40%	970,329	51.8%	
3 Support Services	123,631	123,631	6.55%	123,631	6.6%	
4 Operation and Maintenance of Plant	83,709	83,709	4.43%	83,709	4.5%	
5 Food Services	34,906	34,906	1.85%	34,906	1.9%	
6 Extra Curricular	5,000	5,000	0.26%	5,000	0.3%	
7 Costs Outside the Calculation	338,531		0.00%		0.0%	
8 Total Costs	2,226,493	1,887,962	100.00%	1,873,192	100.0%	<u>14,770</u>
9 Less Penalty	<u>14,770</u>					
10 Total Allowable Costs	<u>2,211,723</u>					
11 Instruction	970,329					
12 Support Services	123,631					
13 Operation and Maintenance of Plant	83,709					
14 Food Services	34,906					
15 Extra Curricular	<u>5,000</u>					
16 Total Costs Without Administration	1,217,575					
17 Divided By: 0.65	<u>0.65</u>					
18 New Dominator	1,873,192					
19 Less: Costs Without Administration	<u>1,217,575</u>					
20 Revised Administration Cost	<u>655,617</u>					

Note: The determination of the non-allowable cost for spending in excess of the administrative maximum cost percentage is computed as follows: A total of all costs for instruction, support services, operation and maintenance of plant, food service and extra curricular is determined. Based on a maximum administrative percentage of 35%, these costs make up 65% of the remaining total costs. The total of these amounts (\$1,217,575) is divided by .65 to determine a new dominator of \$1,873,192. The new dominator of \$1,873,192 less \$1,212,575 equals a revised administrative cost of \$655,617. The original administrative cost of \$670,387 less the revised amount of \$655,617 equals a non-allowable cost of \$14,770.

**PRIVATE SCHOOLS FOR THE DISABLED
CALCULATION OF INSTRUCTIONAL NON-ALLOWABLE COST**

	(A)	(B)	(C)	(D)	(E)	(F)
	<u>TOTAL COSTS</u>	<u>COST CATEGORY</u> <u>PERCENTAGES</u>		<u>REVISED</u> <u>COST CATEGORY</u> <u>PERCENTAGES</u>		<u>NON-</u> <u>ALLOWABLE</u>
1 Administration	419,204	419,204	31.58%	419,204	31.3%	
2 Instruction	657,711	657,711	49.55%	669,530	50.0%	11,819
3 Support Services	127,418	127,418	9.60%	127,418	9.5%	
4 Operation and Maintenance of Plant	108,015	108,015	8.14%	108,015	8.1%	
5 Food Services	9,893	9,893	0.75%	9,893	0.7%	
6 Extra Curricular	5,000	5,000	0.38%	5,000	0.4%	
7 Costs Outside the Calculation	305,595		0.00%		0.0%	
8 Total Costs	1,632,836	1,327,241	100.00%	1,339,060	100.0%	<u>11,819</u>
9 Less Penalty	<u>11,819</u>					
10 Total Allowable Costs	<u>1,621,017</u>					
11 Administration	419,204					
12 Support Services	127,418					
13 Operation and Maintenance of Plant	108,015					
14 Food Services	9,893					
15 Extra Curricular	<u>5,000</u>					
16 Total Costs Without Instruction	669,530					
17 Divided By: 0.50	<u>0.50</u>					
18 New Dominator	1,339,060					
19 Less: Costs Without Instruction	<u>669,530</u>					
20 Revised Instruction Cost	<u>669,530</u>					

Note: The determination of the non-allowable cost for spending less than the instructional minimum cost percentage is computed as follows: A total of all costs for administrative, support services, operation and maintenance of plant, food service and extra curricular is determined. Based on a minimum instructional percentage of 50%, these costs make up 50% of the remaining total costs. The total of these amounts (\$669,530) is divided by .50 to determine a new dominator of \$1,339,060. The new dominator of \$1,339,060 less \$669,530 equals a revised instructional cost of \$669,530. The revised instructional cost of \$669,530 less the original amount of \$657,711 equals a non-allowable cost of \$11,819.

PRIVATE SCHOOLS FOR THE DISABLED

CALCULATION OF BOTH ADMINISTRATIVE & INSTRUCTIONAL NON-ALLOWABLE COSTS

FINAL 4/1/2002

EXHIBIT E-3

	(A)	(B)	(C)	(D)	(E)	(F)
	<u>TOTAL COSTS</u>	<u>COST CATEGORY</u> <u>PERCENTAGES</u>		<u>REVISED</u> <u>COST CATEGORY</u> <u>PERCENTAGES</u>		<u>NON</u> <u>ALLOWABLE</u>
1 Administration	561,850	561,850	36.73%	521,125	35.0%	40,725
2 Instruction	750,000	750,000	49.03%	750,000	50.4%	
3 Support Services	15,589	15,589	1.02%	15,589	1.0%	
4 Operation and Maintenance of Plant	192,214	192,214	12.57%	192,214	12.9%	
5 Food Services	5,000	5,000	0.33%	5,000	0.3%	
6 Extra Curricular	5,000	5,000	0.33%	5,000	0.3%	
7 Costs Outside the Calculation	338,531		0.00%		0.0%	
8 Total Costs	1,868,184	1,529,653	100.00%	1,488,928	100.0%	40,725
9 Less Penalty	40,725					
10 Total Allowable Costs	1,827,459					
11 Instruction	750,000					
12 Support Services	15,589					
13 Operation and Maintenance of Plant	192,214					
14 Food Services	5,000					
15 Extra Curricular	5,000					
16 Total Costs Without Administration	967,803					
17 Divided By: 0.65	0.65					
18 New Dominator	1,488,928					
19 Less: Costs Without Administration	967,803					
20 Revised Administration Cost	521,125					

Note: The determination of the non-allowable costs for spending in excess of the administrative maximum cost percentage and spending less than the instructional minimum cost percentage is computed as follows: The administrative costs are first revised to bring the administrative costs to 35% and the instructional costs will increase to 50% or greater. A total of all costs for instruction, support services, operation and maintenance of plant, food service and extra curricular is determined. Based on a maximum administrative percentage of 35%, these costs make up 65% of the remaining total costs. The total of these amounts (\$967,803) is divided by .65 to determine a new dominator of \$1,488,928. The new dominator of \$1,488,928 less \$967,803 equals a revised administrative cost of \$521,125. The original administrative cost of \$561,850 less the revised amount of \$521,125 equals a non-allowable cost of \$40,725.